

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7156**

**BILL NUMBER:** SB 365

**NOTE PREPARED:** Jan 18, 2011

**BILL AMENDED:**

**SUBJECT:** Alcoholic Beverage Permits.

**FIRST AUTHOR:** Sen. Miller

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that, in making a quota determination for alcoholic beverage permit purposes, the population of a consolidated city is the population of the county with the exception of excluded cities. (Current law provides that the population of a consolidated city is the population of its fire special service district.) The bill repeals a provision that allows the Alcohol and Tobacco Commission (ATC) to issue a beer retailer permit only to an applicant who is the proprietor of a drug store, grocery store, or confectionary, or a store in good repute which, in the judgment of the commission, deals in other merchandise that is not incompatible with the sale of beer.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** *ATC:* This bill may result in some cost savings to the ATC. By changing the quota requirements, ATC would no longer have to issue any dealer or retailer permits in Marion County, with the exception of the excluded cities.

**Explanation of State Revenues:** This bill would result in an indeterminable decrease in revenue. The bill provides that, in making a quota determination for alcoholic beverage permit purposes, the population of a consolidated city is the population of the county with the exception of excluded cities. According to the ATC, there would be no more permits available under the quota for Marion County, with the exception of excluded cities, based on the changes made to the population parameters in this bill.

The extent of the decrease in revenue would depend on the number of alcoholic beverage permits that could have been issued prior to the quota change in the bill. The annual fee for a dealer or retailer permit is \$500 each. Revenue from dealer and retailer permits is deposited 37% to the state General Fund; 33% to the

general funds of cities, towns, and counties based on population; and 30% to the Enforcement and Administration Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** See *Explanation of State Revenues*.

**State Agencies Affected:** ATC.

**Local Agencies Affected:**

**Information Sources:** Ed Dunsmore; ATC; 317-232-2472.

**Fiscal Analyst:** Diana Agidi, 317-232-9867.